

MINUTES OF THE
MEETING
OF THE
AUDIT & COMPLIANCE COMMITTEE
FRIDAY, SEPTEMBER 23, 2011– 9:00 A.M.

Present:

Committee Members

Michele Bush
James Clayborne
Thomas Hoffman
Fred Montgomery
Judy Baar Topinka

Board Members

Roderick Bashir
Devon Bruce
John Casey

Staff

William Atwood
Johara El-Harazin
Adanna Ene
Linsey Schoemehl
Lorna Scott
Katherine Spinato
Alise White

Guests

State Retirement Systems
Tim Blair, via telephone
Office of the Comptroller
Alexis Strum

ROLL CALL

Chairman Bush called the meeting to order at 9:00 a.m. The Secretary called the roll and noted that a quorum was present.

MINUTES OF PREVIOUS MEETING

Mr. Montgomery moved to approve the minutes of the Audit & Compliance Committee meeting held June 24, 2011, in the form previously submitted. Judge Hoffman seconded and the motion passed unanimously.

STATUS OF FY 2011 AUDIT

Ms. White reported that the audit firm of McGladrey Pullen began fieldwork on September 6th and there were no issues to report.

Ms. White reviewed the "Accrued Compensated Absences" report that had previously been distributed. (Official minutes contain attachment.)

STAFF PERSONAL TRANSACTION REPORTS

Ms. Spinato reported that there were no exceptions to report to the Staff's Monthly Personal Interest Statements for the quarter ending June, 2011.

COMMISSION RECAPTURE REPORT

Ms. Spinato stated that the Commission Recapture Report for the quarter ending June 2011 had previously been distributed. Mr. Montgomery moved to approve the Commission Recapture Report for the quarter ending June 31, 2011. Judge Hoffman seconded and the motion passed unanimously. (Official minutes contain attachment.)

RECORD OF VOUCHERS

Director Atwood stated that the Record of Vouchers for the months of April, May and June 2011, were previously distributed. Following review of the Records of Vouchers, Mr. Montgomery moved to approve the Records of Vouchers for the months of April, May, and June 2011. Comptroller Topinka seconded and the motion passed unanimously. (Official minutes contain attachments.)

ETHICS MATTERS

Placement Agent Contact Report

Ms. Schoemehl referred to the memorandum "Placement Agent Contact Report Q1 FY 2012" dated September 13, 2011, and reviewed. Following review, Mr. Montgomery moved to accept the report. Judge Hoffman seconded and the motion passed unanimously. (Official minutes contain attachment.)

Board Member Timesheets

Ms. Schoemehl requested that the appointed Board Members submit their quarterly timesheets.

UNFINISHED BUSINESS

None.

NEW BUSINESS

Director Atwood initiated discussion on ex parte communication disclosures and distributed a memorandum "Ex Parte Communication Disclosure" dated September 21, 2011. (Official minutes contain attachment.)

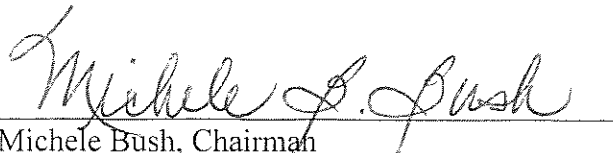
NEXT MEETING AND ADJOURNMENT

Chairman Bush stated that the next meeting of the Audit & Compliance Committee was scheduled to be held Friday, December 16, 2011. At 9:10 a.m., there being no further business to come before the Committee, Mr. Montgomery moved to adjourn. Judge Hoffman seconded and the meeting was adjourned.

Respectfully submitted,



Thomas E. Hoffman, Recording Secretary
Illinois State Board of Investment



Michele Bush, Chairman
Audit & Compliance Committee